Legislative Digest

Thursday, November 18, 1999

J.C. Watts, Jr. Chairman 4th District, Oklahoma

House Meets at 10:00 a.m. for Legislative Business

Anticipated Floor Action:

H.J. Res. 82 and 83—FY 2000 Continuing Resolutions H.R. 3194—FY 2000 District of Columbia Appropriations Act (Conference Report)

H.R. 1180—Ticket to Work and Work Incentives Improvement Act (Conference Report)

H.R. 34—Coastal Barrier Resources System Corrections S. 438—Chippewa Cree Water Rights

S. 574—Correcting the Coastal Barrier Resources System H.R. 1802—Foster Care Independence Act

S. 791—Women's Business Centers Sustainability Act H.R. 1827—Government Waste Corrections Act H.R. 3419—Motor Carrier Safety Act



H.J. Res. 82 and 83—FY 2000 Continuing Resolutions

Floor Situation: The House will consider H.J. Res. 82 as its first order of business today. It may consider H.J. Res. 83 today if necessary. Yesterday, the Rules Committee granted a closed rule providing one hour of debate on each resolution, equally divided between the chairman and ranking member of the Appropriations Committee, and waiving all points of order against the resolutions and their consideration. The rule provides one motion to recommit.

Summary: H.J. Res. 82 provides temporary funding—beginning November 19, 1999 and lasting through November 23 or whenever the relevant appropriations bill is signed into law, whichever comes first—for federal programs for which the president has not signed a regular appropriations bill. The continuing resolution funds ongoing projects at current FY 1999 levels. It imposes currently existing terms and conditions on funding, prohibits any new projects or initiatives, and restricts high initial year funding distributions to states, foreign countries, or federal grantees. Recently, the House passed—and the president signed—an extension (H.J. Res. 80) to fund the government through November 18, 1999. H.J. Res. 83 provides continuing funding through December 2.

The joint resolutions also include a number of special provisions for the duration of the continuing resolution, such as:

- * restricting disbursements for contributions to international organizations;
- * extending the authority for several programs such as (1) Radio Free Asia, (2) the Overseas Private Investment Corporation, and (3) the federal flood insurance program;
- * restricting initial obligations for most major activities of the District of Columbia;
- * allowing agencies to spend funding to continue fixing the Year 2000 computer problem;
- * allowing increased obligations for census activities;
- * continuing the FY 1999 funding level for accounts funded under the FY 1999 Commerce/ Justice/State appropriations bill that will change in the FY 2000 measure because of State Department reorganization; and
- * continuing the authority of the Export-Import Bank to meet in the absence of a quorum.

Both resolutions were introduced by Mr. Young (FL) on November 17.



H.R. 3194—FY 2000 District of Columbia Appropriations Act (Conference Report)

Floor Situation: The House will consider the conference report to H.R. 3194 sometime today. Conference reports are privileged and may be considered any time three days after they are filed; they are debatable for one hour and may not be amended. Yesterday, the Rules Committee granted a rule waiving all points of order against the conference report and its consideration.

Summary: The conference report to H.R. 3194 closes the FY 2000 budget cycle by providing approximately \$154.3 billion in discretionary budget authority for five unsigned appropriations bills—C/J/S/J, District of Columbia, Foreign Operations, Interior, and Labor/HHS. When mandatory spending (*i.e.*, spending over which the Appropriations Committee has no control) is included, the measure provides approximately \$385 billion. General funding levels and legislative provisions are detailed below.

The bill includes several legislative initiatives to (1) increase payments to Medicare providers by approximately \$12 billion over five years; (2) authorize funding for two years for the State Department and related programs; (3) modify federal dairy policy; (4) level the playing field between cable and satellite providers; and (5) exempt the recycling industry from Superfund liability; and (6) reauthorize several Trade Adjustment Assistance programs.

Finally, the bill includes several offsets that are expected to save approximately \$8.5 billion. Specifically, it (1) includes a 0.38 percent across-the-board cut in the discretionary accounts of all 13 appropriations bills; (2) moves the last military payday for FY 2000 (which falls on a Saturday) to the following Monday, which falls in FY 2001; and (3) expedites the transfer of money to the U.S. Treasury from private accounts held by the Federal Reserve.

Views: The Republican leadership strongly supports passage of the bill. An official Clinton Administration viewpoint was unavailable at press time. However, administration officials have indicated the president intends to sign the measure.

Additional Information: See *Legislative Digest*, Vol. XXVIII, #34, Pt. III, November 17, 1999.



H.R. 1180—Ticket to Work and Work Incentives Improvement Act (Conference Report)

Floor Situation: The House will consider the conference report to H.R. 1180 after it completes consideration of the continuing resolution. Yesterday, the Rules Committee granted a rule waiving all points of order against the conference report and its consideration.

Summary: The conference report to H.R. 1180 allows recipients of certain Social Security disability benefits to seek vocational rehabilitation and employment services from providers of their choice and to return to work while retaining their government-sponsored health insurance. Currently, after a nine-month trial work period, a disabled worker who receives Social Security disability insurance (SSDI) benefits but earns more than \$700 per month will lose his or her cash benefits after a nine-month trial work period and Medicare health coverage after 39 additional months. Generally, workers who receive Supplemental Security Income (SSI) disability benefits will lose their Medicaid coverage once earnings make them ineligible for cash benefits. The bill allows workers with disabilities the option to work and keep their health coverage. This legislation creates consumer choice in employment preparation and placement services to reduce the dependency on government assistance and creates a new payment system to reward results by paying service providers part of the benefit savings when disabled individuals leave the rolls for work. It also creates options for individual states to allow the working disabled to purchase Medicaid coverage.

Specifically, the conference report (1) establishes a "ticket to work" program to allow individuals to seek, from the providers of their choice, vocational rehabilitation and other services necessary to obtain and retain employment; (2) extends the current period of eligibility for Medicare coverage for working disabled individuals; (3) creates new options for states to allow individuals with disabilities to purchase Medicaid coverage; and (4) delays the effective date of a final rule by the HHS on the organ procurement and transplantation network until 90 days after enactment of this bill.

The conference agreement also provides approximately \$15.8 billion in tax relief over five years (\$18.4 billion over 10 years) by extending certain tax credits. Specifically, it extends the Research and Development tax credit for five years, the Welfare-to-Work and Work Opportunity tax credits for 30 months, and the Generalized System of Preferences through September 30, 2001. Finally, the measure includes approximately \$2.6 billion in revenue offsets over five years (\$2.9 billion over 10 years).

The House passed H.R. 1180 by a vote of 412-9 on October 19, 1999. The Senate passed its version (S. 331) by unanimous consent on October 21, 1999.

Additional Information: See *Legislative Digest*, Vol. XXVIII, Pt. II, #34, November 17, 1999; and #30, November 9, 1999.



Bills Considered Under Suspension of the Rules

Floor Situation: The House will consider the following seven suspensions after it completes consideration of the conference report to H.R. 1180. Each is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

- **H.R. 34** mandates that the Interior Secretary make corrections to the coastal barrier resources system relating to North Captiva Island, Florida, to ensure that depictions of areas on the system map are consistent. The bill was introduced by Mr. Goss and was not considered by a House committee.
- **S. 438**—Chippewa Cree Water Rights provides for the settlement of the water rights claims of the Chippewa Cree Tribe by ratifying the Water Rights Compact entered into by the Chippewa Cree Indian Tribe of the Rocky Boy's Reservation and the State of Montana, and to authorize the federal actions and appropriations necessary to implement the compact and to provide for the federal contribution to the development of tribal water resources. The bill was referred to the House on November 5, 1999. The house passed a similar measure (H.R. 795) by voice vote on October 18, 1999.
- S. 574—Correcting the Coastal Barrier Resources System clarifies the boundaries of the system to exclude land leased by a private corporation and to include the northwest corner of Cape Henlopen State Park in Delaware. The Senate passed the bill by unanimous consent on April 26, 1999.
- **H.R. 1802**—**Foster Care Independence Act** establishes a new framework for federal foster care programs designed to provide additional funding and flexibility for states to prepare foster care teenagers to live on their own when they leave the system at age 18. The measure also establishes new procedures to crack down on fraud and abuse within the Supplemental Security Income (SSI) program by tightening eligibility reviews and creating a new administrative process to allow the government to more quickly recover overpayments. The bill also establishes stiffer rules to collect overpayments from prisoners and those who receive benefits on behalf of others. The bill was introduced by Mrs. Johnson (CT) and passed the House on June 25 by a vote of 380-6. The House is expected to consider the measure if the Senate passes and/or amends the bill sometime today.
- **S. 791—Women's Business Centers Sustainability Act** amends the 1958 Small Business Act (*P.L.* 85-699) to establish a four-year pilot program to allow a private organization that has received financial assistance under the women's business center program, that also is either in the final year of a five-year project or has completed the project, to apply for grants for an additional five-year period. The bill increases the authorization for FYs 2000-2003 for women's business centers but repeals authorization for subsequent years. Specifically, the bill authorizes (1) \$12 million for FY 2000; (2) \$12.8 million for FY 2001; (3) \$13.7 million for FY 2002; and (4) \$14.5 million for FY 2003. The bill requires women's

business centers to be private nonprofit organizations. Finally, the measure requires the Small Business Administration to determine the viability of each center and allows the SBA to use a small portion of authorized amounts for administrative purposes.

Assuming appropriation of authorized amounts, CBO estimates that enactment of S. 791 will increase net outlays by \$2 million over FYs 2000-2004. The Senate reported the bill by unanimous consent on November 5, 1999. The measure was referred to the House on November 8, 1999. The House passed similar legislation (H.R. 1497 by voice vote on October 19, 1999.

H.R. 1827—Government Waste Corrections Act implements measures to stop overpayments to vendors who provide goods and services to the federal government. Specifically, the bill requires federal agencies to conduct recovery audits if their payment activities reach \$500 million or more annually. Recovery audits involve the use of software, among other actions, to identify missed documents, duplicate payments, and other overpayments. The measure (1) establishes procedures for such audits, including allowing agencies to conduct audits in-house, contract for audit services, or combine the two, based on a public-private cost comparison; (2) requires agencies to use a portion of the overpayments recouped to implement a management improvement program to reduce overpayment rates; and (3) requires the deposit of at least 50 percent of overpayments into the general treasury. Finally, the bill directs the Office of Management and Budget Director to coordinate and oversee the implementation of these requirements. The measure does not apply to Medicare services. Each year, the federal government loses billions of dollars due to improper payments to vendors. Limited recovery audits within the Department of Defense have identified errors averaging \$4 million for every \$100 million of payments. The measure was introduced by Mr. Burton et al. and reported by the Government Reform Committee by voice vote on November 10, 1999.

H.R. 3419—Motor Carrier Safety Act creates the Federal Motor Carrier Administration (FMCA) as a separate agency within the Department of Transportation (DOT) to administer federal motor carrier safety programs (these functions currently are managed by the Federal Highway Administration). The bill was introduced by Mr. Shuster and was not considered by a House committee. The House passed a similar bill (H.R. 2679; *H.Rept. 106-333*) by a vote of 415-5 on October 14, 1999.



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